

For immediate release

EASTSPRING INVESTMENTS BERHAD DECLARES INCOME DISTRIBUTION FOR EASTSPRING INVESTMENTS TARGET INCOME FUND 4

31 October 2018, Kuala Lumpur - Eastspring Investments Berhad today announced the gross income distribution for Eastspring Investments Target Income Fund 4 ("Fund"):

Fund Name	Financial Year End	Gross Distribution (RM/Unit)	Dividend Yield as at 16 October 2018	Type of Distribution
Eastspring Investments Target Income Fund 4	30 September	0.0592	5.75%	Annual

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All unit holders who have maintained their unit holdings in the Fund as at 30 October 2018 will be entitled to the income distribution.

This 5 year closed-ended bond fund is the fourth in a series of target income funds. This distribution is consistent with the Fund's objective which endeavours to provide regular income¹ during the tenure of the Fund.

Market Outlook from the External Investment Manager, Eastspring Investments (Singapore) Limited

Over the month of September, Asian USD-denominated bonds delivered a negative return, with the representative JPMorgan Asia Credit Index posting a -0.12% return (in USD terms). The rise in US Treasury (UST) yields weighed on the performance of Asian credit, although this was partially offset by a compression of credit spreads.

Asian high yield outperformed as spreads tightened more in the non-investment grade segment, while the shorter-duration nature of Asian non-investment grade also provided some respite from the rise in risk-free rates in September.

Trade issues remained in focus over the month of September, with the US imposing fresh 10% tariffs (rising to 25% in 2019) on China goods worth around USD 200 billion, while also successfully concluding a new trade deal with Canada and Mexico (the United States-Mexico-Canada Agreement, or USMCA).

In a well-telegraphed move, the US Federal Reserve hiked rates for the eighth time in the current tightening cycle. The central bank also dropped the use of "accommodative" in its description of prevailing monetary policy. Guidance remains for another rate hike by year-end, with three further hikes in 2019. The UST curve shifted upwards in a parallel fashion over the month of September, with yields on the 2-year, 5-year and 10-year UST rising between 19 and 21 bps over the month (to 2.82%, 2.95% and 3.06% respectively).

Non-investment grade Asian sovereign bonds outperformed in September, led by Pakistan and the Maldives, while investment-grade Asian sovereign bonds underperformed. By sector, Pulp & Paper, Metals & Mining and Industrials outperformed, while Technology, Media and Telecoms (TMT), Oil & Gas and Transport were underperformers.

end

¹ Income declared will be paid out either by way of E-payment according to unit holders' instructions in the account opening form or by cheque.

MEDIA RELEASE

ABOUT EASTSPRING INVESTMENTS

Eastspring Investments is a leading asset manager in Asia that manages over USD182 billion (as at 30 June 2018) assets on behalf of institutional and retail clients. Operating in Asia since 1994, Eastspring Investments is the Asian asset management business of Prudential plc, an international financial services companies.

ABOUT EASTSPRING INVESTMENTS BERHAD

Established in 2000 and based in Kuala Lumpur, Eastspring Investments Berhad is one of the leading asset management companies in Malaysia in both institutional and retail, with over RM37.6 billion in assets under management in the country as at 30 June 2018. It manages unit trust funds, wholesale funds as well as private mandates.

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This is a close-ended fund. Units are no longer available for sale on the basis of the Eastspring Investments Target Income Fund 4 ("Fund") Prospectus, the Fund's First Supplementary Prospectus and the Fund's Second Supplementary Prospectus each respectively dated 23 August 2015 (collectively, the "Prospectuses"). Investors are advised to read and understand the contents of the Prospectuses and the Fund's Product Highlights Sheet ("PHS") before investing. The Prospectuses and PHS are available at offices of Eastspring Investments Berhad or its authorised distributors and investors have the right to request for a copy of the Prospectuses and PHS.

The Prospectuses have been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Units will only be issued upon receipt of the application form accompanying the Prospectuses. Past performance of the Fund is not an indication of the Fund's future performance. Unit prices and distributions payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the Net Asset Value ("NAV") per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV. Where a unit split is declared, investors are advised that the value of their investment in Malaysian Ringgit will remain unchanged after the issue of the additional units.

Investments in the Fund are exposed to credit or default risk, counterparty risk, interest rate risk, country risk, currency risk, taxation risk, income distribution risk, asset mismatch risk, concentration risk, reinvestment risk, ratings downgrade risk and derivatives risk. Investors are advised to consider these risks and other general risks as elaborated in the Prospectuses as well as fees, charges and expenses involved before investing.

Eastspring Investments companies (excluding JV companies) are ultimately wholly-owned/indirect subsidiaries of Prudential plc of the United Kingdom. Eastspring Investments companies (including JV companies) and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America.